

- **Recommendation 1** – Implement the 10 employer-paid sick days that were legislated in Bill C-3. Fix Bill C-3 by removing the accrual model and replacing it with full access to 10 paid sick days per year immediately upon starting new employment and at the beginning of each calendar year.
- **Recommendation 2** – Reform Employment Insurance (EI) into a fair and accessible program for all workers by setting a cross-Canada qualifying rule of 360 hours or 12 weeks for all benefits and setting a benefit floor at \$500 per week. Immediately extend the EI recovery measures in place during the pandemic, retroactive to September 24, 2022, until reforms are in place.
- **Recommendation 3** – Implement a Canada Disability Benefit that brings people living with disabilities above the poverty line, that uses the broadest possible definition of disability to determine eligibility and that is accessible to everyone who resides in Canada, regardless of their immigration status. Reduce barriers to tax filing to ensure people can access the benefit and include a timely appeal process through an accessible administrative tribunal.
- **Recommendation 4** – Address working-age single adult poverty by expanding the Canada Workers Benefit while reducing barriers to tax filing and ensuring a timely appeal process through an accessible administrative tribunal.
- **Recommendation 5** – Extend eligibility of the Canada Child Benefit to all children who reside in Canada, regardless of their immigration status. Invest in targeted community outreach strategies to ensure Indigenous communities can access the benefit and to reduce barriers.



ISAC is a specialty legal clinic funded by Legal Aid Ontario. Our mandate is to advance the rights and interests of low-income Ontarians with respect to income security and employment. We carry out our mandate through test case litigation, policy advocacy, community organizing and public education.

Founded in 2001, we are governed by a community Board of Directors representative of all regions of Ontario. Our Board includes legal clinic caseworkers and people who identify as low-income, with representation from Indigenous communities, racialized communities, people with disabilities and recipients of income support benefit programs.

We make the following five recommendations for the 2023 budget.

1. Implement the 10 employer-paid sick days that were legislated in Bill C-3.

In 2022, many provinces experienced some of their worst outbreaks of COVID-19 to date. Rapid transmission of Omicron means many workers are still getting sick and need to isolate. If Canada is to end the pandemic, there needs to be immediate implementation of the federally legislated 10 employer-paid sick days.

Workers without paid sick days who must choose between caring for their health or earning an income, are often forced to go to work. Yet, staying home when sick is one of the most effective containment strategies for infectious diseases.¹ Paid sick days are also critical to achieving equitable workers' protections. Low-wage racialized workers have been hardest hit by the pandemic.² They are more likely to be engaged in the precarious work deemed "essential" including agricultural and warehouse work,³ where the risk of transmission is higher. These workplaces often do not have paid sick days, which is both unjust, and also a threat to public health and the economy.

We welcome the passage of Bill C-3 that provides 10 employer-paid sick days for federally regulated workers in the *Canada Labour Code*. However, it is disheartening that these paid sick days have not been implemented and will only come into force on December 1, 2022. We are also troubled by the accrual model outlined in the bill. Workers need adequate, universal and seamlessly accessible paid sick days. For workers starting new employment, they will earn only three days after a 30 day waiting period and then begin accruing one paid sick day per month up to a maximum of 10 days. The monthly accrual model will leave many workers without protection. In particular, this will be a barrier to accessing adequate paid sick days for those in temporary and insecure employment, who are disproportionately racialized and immigrant workers.

- **Recommendation 1** – Implement the 10 employer-paid sick days that were legislated in Bill C-3. Fix Bill C-3 by removing the accrual model and replacing it with full access to 10 paid sick days per year immediately upon starting new employment and at the beginning of each calendar year.

2. Reform Employment Insurance into a decent and accessible system

We commend the federal government for undertaking a review of the Employment Insurance (EI) system. EI is long overdue for reform into a system that can meet the needs of working Canadians who lose their jobs, fall ill, go on parental leave or are unable to work. The program's eligibility requirements have become increasingly inaccessible to workers, including low-wage precarious workers. This has most hurt women, Indigenous, racialized, disabled and migrant workers. We therefore make the following recommendations:

1. Set a new cross-Canada qualifying rule of 360 hours or 12 weeks for all EI benefits.
2. Set a minimum benefit floor of \$500 per week.
3. Eliminate unfair disqualification rules that hurt vulnerable workers the most (including management-labelled "quit-fire").
4. Expand access to migrant workers and those misclassified as independent contractors.
5. Immediately extend the EI recovery measures in place during the pandemic, retroactive to September 24, 2022, until these reforms are in place.

We also support the [recommendations of the Ontario Community Legal Clinics Employment Insurance Working Group](#).

- **Recommendation 2** – Reform Employment Insurance (EI) into a fair and accessible program for all workers by setting a cross-Canada qualifying rule of 360 hours or 12 weeks for all benefits and setting benefit floor at \$500 per week. Immediately extend the EI recovery measures in place during the pandemic, retroactive to September 24, 2022, until reforms are in place.

3. Bring people living with disabilities out of poverty

People with disabilities are twice as likely to live in poverty and up to one third of people living in poverty are women with disabilities; this poverty is exacerbated for those who are Indigenous, racialized or lone parents,^{4,5} and for people with precarious immigration status. Since people with disabilities have not had the same increase to income guarantees as children or seniors over the last fifteen years, action is required immediately.

The introduction of Bill C-22 *An Act to reduce poverty and to support the financial security of persons with disabilities by establishing the Canada disability benefit and making a consequential amendment to the Income Tax Act*⁶ on June 2, 2022 was welcome news. In order for the Canada disability benefit to reduce poverty among people with disabilities, we make the following recommendations:

1. Use the broadest possible definition of disability to determine eligibility.
2. Ensure an adequate benefit amount to bring people with disabilities above the poverty line.
3. Ensure the benefit is exempt from clawbacks.
4. Extend it to everyone living in Canada, regardless of their immigration status.

5. Proactively reducing barriers to tax filing for marginalized and low-income populations to increase access to the benefit.
 6. Ensure a transparent and timely appeal process through an accessible administrative tribunal.
- **Recommendation 3** – Implement a Canada disability benefit that brings people living with disabilities above the poverty line, that uses the broadest possible definition of disability to determine eligibility and that is accessible to everyone who resides in Canada, regardless of their immigration status. Reduce barriers to tax filing to ensure people can access the benefit and include a timely appeal process through an accessible administrative tribunal.

4. Address working-age single adult poverty by expanding the Canada Workers Benefit.

Across Canada, working-age singles, many of whom rely on social assistance, experience the highest rates and deepest levels of poverty.⁷ 61% of the Ontario Works (OW) caseload and 79% of the Ontario Disability Support Program (ODSP) caseload are working-age singles.⁸ A single client receives \$733 per month from OW, and \$1,228 per month if they qualify for ODSP.⁹ These clients are therefore forced to live between 45%-65% below the poverty line and in deep poverty based on the Market Basket Measure.¹⁰

With inflation, it is becoming impossible to pay for disability supports, transportation, digital access, and for the basic needs of food and shelter. Tragically, some are turning to medical assistance in dying (MAiD) because they cannot afford to live.¹¹ Because accessible and subsidized housing is scarce, approximately 70% of social assistance clients live in market rent housing. In Ontario, 67% of households that rely on social assistance are food insecure, almost half of which are severely food insecure and experience reduced quality *and* quantity of food intake.¹²

Canada's First Poverty Reduction Strategy met the target to reduce poverty by 20 percent by 2020,¹³ with investments in the Canada Child Benefit (CCB), the Guaranteed Income Supplement (GIS) and temporary emergency recovery benefits during the pandemic.¹⁴ While children and seniors will continue to have support, working-age singles will remain in deep poverty because they have few permanent benefits available to them. If Canada is to maintain its 2020 target, poverty among working-age single adults must be addressed.

The Canada Workers Benefit (CWB) is a refundable tax credit that is not clawed. Maytree and Community Food Centres Canada recommend expanding it to the proposed Canada Working-Age Supplement (CWAS). CWAS will increase the floor amount to \$3,000 with a \$1,000 employment boost to provide a maximum of a \$4,000 supplement for all working-age singles whether they are working or not.¹⁵ Raising the income floor will assist people living in deep poverty to access the labour force. In seven provinces, welfare incomes would rise above the deep income poverty threshold and CWAS would reduce the depth of poverty by between 9 and 39 per cent across Canada.¹⁶ CWAS will result in measurable gains to close the benefit gap for working-age singles living in poverty. It builds upon pre-existing infrastructure and is feasible for rapid implementation.

We recommend implementing CWAS with two important additions: first, proactively reduce barriers to tax filing for marginalized and low-income populations so they can access the benefit;¹⁷ and second, implement a transparent, timely appeal process through an accessible administrative tribunal.

- **Recommendation 4** – Address working-age single adult poverty by expanding the Canada Workers Benefit while reducing barriers to tax filing and ensuring a timely appeal process through an accessible administrative tribunal.

5. Increase Access to the Canada Child Benefit

The CCB was introduced by the federal government to help low and middle-income families with the cost of raising children, and to reduce child poverty. However, many children continue to live in poverty in Canada. In 2019, 17.7% of children under the age of 18 and 18.5% of children under the age of six lived in poverty.¹⁸

Two significant barriers to accessing the CCB have prevented it from reducing poverty for all children:

- (i) **Eligibility:** The CCB excludes some of the most vulnerable children in Canada – children of refugee claimants – from receiving this important benefit, even if they were born in Canada. As a result of the exclusion, 24,000 children under 18 in 2017 could not access the CCB.¹⁹ This denial hurts women and racialized people in particular, and leaves children from marginalized groups²⁰ without a financial benefit to help meet their basic needs.
- (ii) **Delivery:** Administration of the benefit through the income tax system poses barriers to Indigenous families living on reserve, only 79% of whom accessed the CCB in 2017 compared to 97
- (iii) % of the general population.²¹

We recommend that eligibility for the CCB be extended to all children who reside in Canada. The cost of doing so is minimal: an additional \$160 million a year, well under 1% of the total CCB paid.²² We also ask the federal government to invest in targeted community outreach, education and support strategies that will ensure Indigenous and other under-reached communities can access this critical benefit.

- **Recommendation 5** – Extend eligibility of the Canada Child Benefit to all children who reside in Canada, regardless of their immigration status. Invest in targeted community outreach strategies to ensure Indigenous communities can access the benefit.

End Notes

¹ Decent Work and Health Network (August 2020). *Before It's Too Late: How to close the paid sick days gap during COVID-19 and beyond*. Retrieved October 7, from https://d3n8a8pro7vhm.cloudfront.net/dwhn/pages/135/attachments/original/1604082294/DWHN_BeforeItsTooLate.pdf?1604082294, p. 4.

² Decent Work and Health Network (August 2020). *Before It's Too Late: How to close the paid sick days gap during COVID-19 and beyond*. Retrieved October 7, 2022, from https://d3n8a8pro7vhm.cloudfront.net/dwhn/pages/135/attachments/original/1604082294/DWHN_BeforeItsTooLate.pdf?1604082294, pp. 4-6.

³ Decent Work and Health Network (August 2020). *Before It's Too Late: How to close the paid sick days gap during COVID-19 and beyond*. Retrieved October 7, 2022, from https://d3n8a8pro7vhm.cloudfront.net/dwhn/pages/135/attachments/original/1604082294/DWHN_BeforeItsTooLate.pdf?1604082294, p. 5.

⁴ Canadian Centre for Policy Alternatives (July 2020). *Alternative Federal Budget Recovery Plan*. Retrieved October 7, 2022, from <https://www.policyalternatives.ca/publications/reports/alternative-federal-budget-recovery-plan>, p. 57.

⁵ DAWN (2019). *More Than A Footnote: A Research Report on Woman and Girls with Disabilities in Canada*, Retrieved October 7, 2022, [https://www.dawncanada.net/media/uploads/page_data/page-64/beyond_crpd_final_eng_\(2\).pdf](https://www.dawncanada.net/media/uploads/page_data/page-64/beyond_crpd_final_eng_(2).pdf), p. 31.

⁶ Bill C-22, *An Act to reduce poverty and to support the financial security of persons with disabilities by establishing the Canada disability benefit and making a consequential amendment to the Income Tax Act* (2021). First Reading June 22, 2021, 43rd Parliament, 2nd session. Retrieved October 7, 2022, from <https://www.parl.ca/DocumentViewer/en/44-1/bill/C-22/first-reading>.

⁷ Talwar Kapoor, Garima, Mohy Tabbara, Sherri Hanley and Sasha McNicoll. *How to Reduce the Depth of Single Adult Poverty in Canada: Proposal for a Canada Working-Age Supplement*. Maytree & Community Food Centres Canada (September 2022). Retrieved October 7, 2022, <https://maytree.com/wp-content/uploads/canada-working-age-supplement-report.pdf>, p. 1.

⁸ Tabbara, Mohy (July 2022). *Social Assistance Summaries, 2021*. Maytree. Retrieved October 7, 2021, from https://maytree.com/wp-content/uploads/Social_Assistance_Summaries_All_Canada.pdf, p. 61.

⁹ *Ontario Disability Support Program Act* (1997). O. Reg. 222/98, s.30, 31. Retrieved October 7, 2022, from <https://www.ontario.ca/laws/regulation/980222> and *Ontario Works Act* (1997). O. Reg 134/98, s. 41, 42. Retrieved October 7, 2022, from <https://www.ontario.ca/laws/regulation/980134>.

¹⁰ The Market Basket Measure “based on the cost of a specific basket of goods and services representing a modest, basic standard of living. It includes the costs of food, clothing, shelter, transportation and other items.” See Statistics Canada (2022, March 23). *Market Basket Measure (MBM) thresholds for the reference family by Market Basket Measure region, component and base year*. Retrieved October 7, 2022, from <https://www150.statcan.gc.ca/t1/tb11/en/tv.action?pid=1110006601>, note 2.

¹¹ Favaro, Avis. “Woman with disabilities nears medically assisted death after futile bid for affordable housing” (30 April, 2022). *CTV News*. Retrieved October, 7, 2022, from <https://www.ctvnews.ca/health/woman-with-disabilities-nears-medically-assisted-death-after-futile-bid-for-affordable-housing-1.5882202>.

¹² Tarasuk, Valerie, Tim Li and Andrée -Anne Fafard St-Germain (2022). *Household food insecurity in Canada, 2021*. Toronto: Research to identify policy options to reduce food insecurity (PROOF). Retrieved October 7, 2022, from <https://proof.utoronto.ca/wp-content/uploads/2022/08/Household-Food-Insecurity-in-Canada-2021-PROOF.pdf>, 20-21.

¹³ Government of Canada. *Opportunity for All: Canada's First Poverty Reduction Strategy* (2018). Retrieved October 7, 2022, from <https://www.canada.ca/content/dam/canada/employment-social-development/programs/poverty-reduction/reports/poverty-reduction-strategy-report-EN.pdf>, p. 3

¹⁴ Government of Canada (23 March 2020). “Canada's poverty rate decreased significantly in 2020.” Retrieved October 7, 2022, from <https://www.canada.ca/en/employment-social-development/news/2022/03/canadas-poverty-rate-decreased-significantly-in-2020-federal-emergency-and-recovery-benefits-mitigated-the-pandemics-economic-impact.html>

¹⁵ Talwar Kapoor, Garima, Mohy Tabbara, Sherri Hanley and Sasha McNicoll. *How to Reduce the Depth of Single Adult Poverty in Canada: Proposal for a Canada Working-Age Supplement*. Maytree & Community Food Centres Canada (September 2022). Retrieved October 7, 2022, <https://maytree.com/wp-content/uploads/canada-working-age-supplement-report.pdf>, p. 53.

¹⁶ Talwar Kapoor, Garima, Mohy Tabbara, Sherri Hanley and Sasha McNicoll. *How to Reduce the Depth of Single Adult Poverty in Canada: Proposal for a Canada Working-Age Supplement*. Maytree & Community Food Centres Canada (September 2022). Retrieved October 7, 2022, <https://maytree.com/wp-content/uploads/canada-working-age-supplement-report.pdf>, p. 58.

¹⁷ Several options are available to reduce barriers. Please see Prosper Canada (2016). *Breaking Down Barriers to Tax Filing for People Living on Low Incomes*. Retrieved October 7, 2022, from <https://prospercanada.org/getattachment/877cb75f-4f8f-44ff-b762-af726c3afce7/Breaking-down-barriers-to-tax-filing.aspx>.

¹⁸ Campaign 2000 (2021). *No One Left Behind: Strategies for an Inclusive Recovery* Retrieved October 7, 2022, from <https://campaign2000.ca/wp-content/uploads/2021/11/C2000-2021-National-Report-Card-No-One-Left-Behind-Strategies-for-an-Inclusive-Recovery-AMENDED.pdf>, pg. 2.

¹⁹ Canadian Centre for Policy Alternatives (September 2022). *Alternative Federal Budget 2023*. Retrieved October 7, 2022, from <https://policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2022/09/AFB%202023%20-%20Rising%20to%20the%20Challenge%20.pdf>, p. 93.

²⁰ Income Security Advocacy Centre, Campaign 2000, Chinese and Southeast Asian Legal Centre and South Asian Legal Centre (September 2018). *Every Child Counts: Making sure the Canada Child Benefit is a benefit for all children*. Retrieved October 7, 2022, from <http://incomesecurity.org/wp-content/uploads/2020/04/Every-Child-Counts-Canada-Child-Benefit-for-All-September-2018.pdf>, pp. 3-4.

²¹ Office of the Auditor General of Canada (2022), *Access to benefits for hard-to-reach populations: independent auditor's report (Series)*. Retrieved October 7, 2022, from https://www.oag-bvg.gc.ca/internet/docs/parl_oag_202205_01_e.pdf, p 9.

²² Canadian Centre for Policy Alternatives (September 2022). *Alternative Federal Budget 2023*. Retrieved October 7, 2022, from <https://policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2022/09/AFB%202023%20-%20Rising%20to%20the%20Challenge%20.pdf>, p. 93.